

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 7, 2011

John Wagner Brush Resources, Inc. P. O. Box 815 Delta, Utah 84624

Subject: Conditional Approval of Amended Notice of Intention to Commence Large Mining Operations,

Brush Resources, Topaz Mine, M/023/0003, Juab County, Utah

Dear Mr. Wagner:

The Division of Oil, Gas and Mining has completed a review of the amendment to the large mine notice, initially received November 16, 2010, and the response with additional information received January 24, 2011. The amendment is complete, but prior to issuing final approval, we require that you provide us with two copies of the complete and corrected plan. When final approval is issued, one copy will be stamped "approved" and returned to you for your records.

The Division requested that the escalation date (2005) be updated since the current escalation date is 2011. You requested that date remain unchanged because the escalation is due this year. This issue will be addressed during escalation.

The Division is attempting to standardize the methods for calculating reclamation cost estimates and has developed a set of spreadsheets that can be found on the Division's web site at http://linuxl.ogm.utah.gov/WebStuff/wwwroot/minerals/bonding_worksheets.html. The bond will be due for evaluation on December 29, 2011, and we ask that you use these spreadsheets for re-calculating the bond. Please contact Wayne Western at 801-538-5263 if you have questions about the spreadsheets.

Thank you for your cooperation in completing this permitting process.

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Paul Baker

Minerals Program Manager

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